

S E C O N D E D I T I O N.

A

FEW WORDS OF ADVICE

ON THE BUYING AND SELLING OF

MEDICAL PRACTICES,

BY

J. BAXTER LANGLEY,

M.R.C.S. ENG.; F.L.S., ETC.

P R I C E S I X P E N C E.

PUBLISHED BY THE AUTHOR AT

THE PROFESSIONAL AGENCY,

OFFICES : 50, LINCOLN'S-INN-FIELDS,

LONDON, W.C.

17/10/02

Now Ready, Crown 8vo., Cloth Gilt; Price, Three Shillings.

VIA MEDICA,

OR PRINCIPALS AND ASSISTANTS.

Their Legal, Moral and Social Relations, &c., &c., being a Treatise on Preliminary Education of Medical Students.

THIS work which has engaged Mr. Langley's attention for the last two years, was originally intended to be published in the form of a small pamphlet, but has been entirely re-written, and will embrace a comprehensive view of the matters under consideration, as indicated by the following sketch of the contents:—

INTRODUCTION.—The want of a Student's Guide, and the absence of any treatise on the laws and customs affecting the relations between Medical Practitioners and their Assistants. The peculiarity of the *mores medici*.

CHAPTER I.—PRINCIPALS—The gradations of the Medical Profession. Who require and who do not require Assistants. The Physician. The Surgeon, pure. The General Practitioner. The Apothecary, pure. The Open Surgery. The Surgeon's Retail.

CHAPTER II.—ASSISTANTS—The Pupil with Indentures. The Apprentice. The Dispenser. The Unqualified Assistant. The "Indoor" and the "Outdoor" Assistant. Prospects of Unqualified Men. Irish and Scotch Assistants, their Difficulties. The Present Educational Position of Young Men. Qualified Assistants. Dispensing. Dangers and Temptations of Assistants. Marriage, Drunkenness. How to make the best of an Appointment. *Locum Tenens*.

CHAPTER III.—THE LEGAL RELATIONS OF THE PARTIES.—How a Legal Engagement is made. Assistants and Partners. What Constitutes a Partnership. Notice to Leave and Leaving Without Notice. Liabilities of Assistants. Dismissal. Liabilities of Principals. Apprenticeship. Maintenance. Indoor Assistants. Outdoor Assistants. Formal Agreements and Bonds not to Practice. Death of Employer. Mutual Liabilities of the Parties. Testimonials and References. Libels, &c.

CHAPTER IV.—THE BUSINESS RELATIONS OF THE PARTIES.—How Engagements are usually made between Principals and Assistants. Advertising. Employment of Agents. Swindling in Agency; how to guard against it. Ship Appointments. Salaries of Different Classes of Assistants and of the *Locum Tenens*. Assistantship with a view to Partnership—what can and what cannot be done.

CHAPTER V.—DUTIES IN THE SURGERY.—The basis of the mutual contract between the parties. The source of quarrels between Principal and Assistant. What the Assistant is expected to do. The lessons to be learned. Dispensing. Stock-keeping. The visiting list. The day-book. Routine of work. Book-keeping. Bad writing. The Ledger. "Posting." Making out bills. Receipt of accounts. The cash-book. The necessity of systematic arrangements. Druggists' invoices and parcels.

CHAPTER VI.—PRELIMINARY STUDIES.—The Education of the Student whilst yet an Assistant. The necessity of Preliminary Study. What can be learned in a Provincial Surgery. How to gain a knowledge of Principles, Botany. Zoology. Natural Philosophy. Books worth reading. The Microscope. General Duties. Conclusion.

The Law Reports for many years have been examined, and all the medical cases decided by the courts referred to, so that on the legal points involved the work may be considered authoritative.

It is handsomely bound in cloth, gilt, and will be found useful alike to the parent who is about to select a profession for his son; to the principal who is about to take an assistant; and to the student who proposes to take such an appointment.

Free by Post from the Author for 3s. 3d. in Stamps.

A D V I C E

To Investors and Gentlemen desiring to transfer their Professional Connexions.

It is obvious that in the purchase and sale of a medical practice the two parties to the contract cannot have more than the most limited experience in such a matter. The investor purchases that which, if wisely selected, finds him profitable employment for the remainder of his life, and he is never necessitated to re-use his experience; and, on the other hand, the seller is generally one who is compelled by age or ill health to relinquish his connexion, and who thereafter retires altogether from professional labour, or who buys a practice in some more suitable locality, where he in turn settles for life, never again repeating a purchase or sale. Every race of man and of animals have their vagrant members, and the profession of medicine is not without these, although they form as small a proportion as the true gipsy does to the whole human race. A man may learn by repeated experience or from books how to manage some departments of business, but if he has neither experience of his own, nor that of books, it must be admitted that he had better entrust the care of what he requires to be done to some one who has had the necessary experience. This fact created the requirement for an agent who would devote his especial attention to the transfer and sale of professional connexions or successions, and who could combine with his technical knowledge of medical practice, the business experience

required in that department of agency. Such a man with the ordinary powers of observation would have, if he had any practice at all, a larger experience in one month of what were the difficulties to be overcome, the dangers to be avoided, and the advantages which ought to be secured to buyers and sellers than any ordinary member of the learned professions would be likely to gain in a lifetime. It may here be remarked that the custom in all commission business is that the vendor pays the agent for his services, and it is not easy to devise a plan by which this could be avoided; but the writer is nevertheless satisfied that the agent should be the arbiter between the vendor and purchaser, guarding both against anything unfair to either.

But why not sell or buy without the intervention of an agent at all? The question has already been answered. Yet additional reasons can be given. Experience has shown that very few men can secure their interests as well as they can be protected by a person specially employed for the purpose; pride, generosity, want of firmness, &c., combine to make most men unfit to sell advantageously for themselves, or, on the other hand, to secure all the concessions which they have a right to demand as purchasers. Two persons bargaining together may lose their temper, but this is not likely when they negotiate through a third party. The purchaser of a medical practice hesitates to put queries to the vendor which he ought to ask, and without answers to which he cannot be satisfied; he will feel no difficulty in questioning an agent. The agent can ask for books and papers and summaries which cannot be gracefully demanded by the purchaser, and the purchaser readily gives the agent a reference to his bankers or a clue to his financial position, which he will hesitate at first to give to a stranger whose practice is yet to be investigated. Dishonest persons know this, and hence it is, that pretended

bargains are only offered "through private hands," and most of the scandals of "Medical Swindling" belong wholly to this class of sales for which no respectable agent is responsible. It must be confessed, nevertheless, that there are persons who, having themselves no character to lose, damage the reputation of agency by lending themselves to such dishonest practices. And yet how few, how very few cases there are in which our professional brethren can be fairly charged with disreputable or dishonest acts in medical transfers, although idle report is loud-mouthed about such mis-doings! It is not difficult for any agent of experience to see how these charges arise. Men who fail in medical practice, after purchasing a good-will, find the excuse for their own unfitness, by charging their predecessor with unfairness. The following is a case which occurred recently. Mr. P—— established a practice in a new district near a garrison town, and, after four years, sold the goodwill to Dr. M——, representing the practice as worth upwards of £500 a year. That such was the income realized by Mr. P—— is quite certain. A good introduction was given, and everything which was required by the purchaser was done by the vendor. Dr. M——, however, got very little practice after the first four months, during which time the patients were not acquainted with the fact that Mr. P—— had really permanently retired from the connexion. The little professional labour which Dr. M—— was called to perform, grew less, and before the end of the year a law suit arose upon a promissory note, for which Dr. M—— declared he had not "value received." In fact he raised the cry of "swindled!" When the facts of the case came to be investigated the good faith of the seller was completely established, and it was shown that the successor (Dr. M——) was an inveterate smoker, whose habits were offensive to respectable patients, and his language even

more objectionable than his manners. Hence his failure. He in turn sold his succession for a sum of money representing the value of his drugs, surgery fittings, and fixtures, &c., but gave no introduction. Dr. B—— paid the money, and gave the original holder of the practice a complimentary fee for fresh introduction. Being a suitable gentleman accustomed to good society, his returns were £185 during the first quarter, and £205 during the second. A score of cases like that of Dr. M—— could be quoted, in which unsuitability for private practice has resulted in failure, and the charge of misrepresentation and fraud has been raised against an honourable, but more able predecessor.

As a rule, frauds cannot be attempted by old established practitioners, whose means and character are well known, and whose income can be approximately measured by the style in which they live. As a fact, the few attempts at gross exaggeration which do come within the notice of a respectable agent, are always in the case of newly-established practices held by persons of whose antecedents little is known. Dishonest persons cannot afford to live upon an imaginary income, and they never have the patientee to keep false books for any length of time. It may be useful, however, to expose the usual mode in which these professional mushrooms misrepresent value, and to indicate one or two simple modes by which they may be detected. The most common *ruse* is to make the charges in the ledger (which in these cases is kept with scrupulous care), greatly in excess of the charges actually sent in. Any agent with professional experience knows the general scale of charges prevailing in particular districts, and a few extracts taken by the purchaser from the ledger of the seller would be sufficient to raise suspicion. More direct enquiry can often be made, by which this misrepresenta-

tion can be discovered. The names of few of the patients being extracted from the ledger, it will be easy to learn by the most unobtrusive enquiry whether such persons are likely to pay very unusually high charges. Again, professional men making high charges have no small tradesmen on their books, because that class are accustomed to buy in the cheapest market, and cannot be retained by medical men whose bills are reputed to be much in excess of those of others. Lastly, in all these cases there is an unwillingness to permit any very minute investigation and an ill-concealed haste to get the negotiation concluded.

Unreasonable suspicion is naturally offensive to every man conscious of his own rectitude, nor is it to be supposed that a professional man who has lived a creditable and prosperous life, practising as general practitioner, for twenty years perhaps, in the same locality—it is not to be supposed that such a gentleman would calmly suffer some young aspirant to his well-earned position to behave to him as one horse-dealer behaves to another, simply because the purchaser has a few hundred pounds at his bankers, which he desires to invest in a medical practice. Every honest man courts enquiry, but the enquiry must not be conducted as if based on a foregone conviction of the dishonesty of the vendor. Facts and experience do not justify such suspicions, inasmuch as failure in succession almost invariably arises from the unfitness of the purchaser for the sphere he seeks to enter—not from the want of good faith on the part of the vendor. This cannot be too emphatically repeated.

It is of the highest importance to those who are about to purchase a succession that they should not commit an error as to the kind of practice for which they are well suited. The ambition to practice "at the west end," or "in an aristocratic suburb of a good town," is not always accom-

panied by that good breeding, polish, and acquirements, without which failure is inevitable in such a sphere, no matter how many gold and silver medals may have been won, and no matter how profound the medical knowledge of the successful student may have been. A few years ago an Edinburgh graduate, who had obtained the highest honours in the Northern Athens, settled in a good town in Cumberland, where he was personally known, and succeeded in three years in making a good practice there.Flushed with success, he came to London, and resolved to practice in the metropolis at the West End. Nothing could convince him that London was difficult to move. Other Scotchmen had succeeded, and therefore he should succeed also. The writer warned him firmly, yet delicately, that his broad Scotch brogue and terrible *strabismus* were likely to be impediments; but received as a reply, that obstacles which destroyed small men were the opportunities of great ones. He took a partnership with an invalid in one of the best squares at the West End, and paid a large amount for it. At first the patients tolerated him as the *locum teneus* of their former attendant, but no sooner learned that he was partner than they flatly refused to see him. Ultimately, after a good deal of ill-feeling, the partners separated, and the unfortunate and accomplished Scotchman learned that professional acquirements are not the sole condition of success in aristocratic English practice.

The first point, then, is to find a suitable sphere for practice. In his native place this is *not* likely to be found by the young professional man unless he can be received by his father as a partner, and gradually introduced as his successor. Even then there are many difficulties arise from the familiarity of the population with the "boy" who has grown up amongst them. The districts of England—every parish in which must

have its "doctor"—are already pretty closely pre-occupied, except in places where new employment has sprung up, or where the population of a town are forming new suburbs. A shrewd man may sometimes hit upon such a place where he has only to put up his brass plate to secure without delay a few hundreds a year, which steadily increase as the streets become longer and closer. *But this is a very rare exception*, and every house-agent can testify that the failures in attempts of this kind (which come to be sold as "nuclei" after a year or two) are painfully in excess of those which succeed. In the long run it is found cheaper to *buy* than to *make* a practice.

Then as to price—the premium which ought to be paid. No absolute rule can be laid down. "A thing is worth what it will fetch," says the political economist. The value of an article in the market depends upon the demand there may be for it; and as there is a constant enquiry for medical practices in "very pleasant neighbourhoods," "at the West End," "near the Crystal Palace," "in a good watering place," and the like, the result is that really good practices in such places sell at fanciful prices. A sixth share in a West End practice has been sold for three year's purchase; but the purchaser wished to marry well, and paid for an introduction to good society as a matrimonial speculation! The income secured by this purchase was barely £350 a year, and the annual expenses of the house the purchaser occupied were at least £400. The purchase was, therefore, not made upon commercial principles.

Speaking generally, a good practice in the best part of London will fetch two years' purchase, and this price is diminished in proportion to the distance from that centre. The greatest demand for professional successions is in

London and within fifty miles of it (the east end* and the eastern suburbs being excepted.) In Sydenham, Norwood, Ramsgate, Margate, Brighton, and other special districts the highest prices are realized, whilst it is difficult to find purchasers for village practices removed from the great arteries of traffic, and remote from London on the west, east, or north. In the more frequented and accessible districts of the southern counties a good practice of upwards of £500 a year will find a buyer at rather more than a year's purchase, especially if situate in a market town ; in the midland counties prices are not quite so firm, and in the northern counties, except in the best towns, the vendor must make considerable concessions in favour of the buyer.

In addition to the locality, there are other obvious conditions affecting the value of a medical succession. If a country practice be carried on amidst a sparse population, no matter how good the class of residents may be, its value will be considerably less to the holder than a town practice from which the same actual income is derived ; the expenses in the former will perhaps be treble or quadruple the latter. The midwifery fees in one practice may be from half a guinea upwards ; in another the lowest charges in such cases may be three guineas ; the professional work in one sphere may require a life in the saddle ; in another the duties can be performed "on wheels ;" in one there may be delightful scenery, in another the sky may be blotted out by the black clouds from iron furnaces or factory chimneys. A young-looking

* The prejudices against East End connexions are not altogether well founded, inasmuch as the most profitable metropolitan practices are to be found in the condemned districts, in many of which are very commodious houses at moderate rents, and in which the mortality is not at all in excess of other districts of London.

man, however great his attainments, will rarely find that he can successfully follow a white-headed sage, whose very appearance is said by some patients "to be a comfort to them ;" on the other hand a drunken predecessor does not, in experience, damage the prospects of the surgeon who comes after him. Many other considerations present themselves, making each case a special instance upon which, by the lights of experience, a conscientious agent can give most valuable advice.

On the mistakes of investors an amusing volume could be written. Suspicion and credulity often go hand in hand ; hence it is a common occurrence that the "over canny" are often misled to do that which they never could have done if they had been able to believe that any one of experience could give useful or honest advice. I am often amused to see the experience and judgment of a respectable and reliable agent set aside in deference to the opinion and advice of some private friend or some "eminent member of the medical profession," who knows no more of the real business matter than an estate agent knows of *pericarditis*. A score of illustrations from experience might be quoted to show the foolish deeds done or the impossible conditions sought by investors under the advice of professors and others who may be masters of their own respective specialities, but who are wholly ignorant of such business matters. Among the prevalent fallacies perhaps the most common is—that an old gentleman who has a good practice in a very eligible locality is very anxious to find an amiable and intellectual young man upon whom to bestow a partnership *without premium*. The amiable (and I may add innocent) young man who is looking for this benevolent myth always urges that he is prepared to do a large share of the work, &c. &c., but he forgets that the "old gentleman" can

readily obtain a good premium for such a partnership, and will make arrangements for the lessening of his own labour, so far as his patients will permit. No profession is so liberal or charitable as ours, but it is rather too much to suppose that our senior practitioners will forget the interests of their own families for the benefit of some young aspirant to *Aesculapian* fame, who, having taken a few prizes at College, thinks that the world is now at his feet. People will not usually give away that which they can readily sell for a considerable amount. In fact the old gentleman in declining health, sighing for a junior partner without a premium is a myth. Another fallacy is that good practices can be bought and wholly paid for by instalments out of the receipts derived from the practice. Occasionally, under very rare and very exceptional circumstances, a surgeon, pressed by illness or other misfortune, is *compelled* to leave his professional connexion suddenly, and having no time to obtain a purchaser at the market price, makes exceptional terms to induce some professional man, well known to him and trusted by him, to make some arrangement which may possibly benefit the vendor's family by securing to them a share of future revenue. No man, except under such circumstances, would accept payment out of receipts for his professional connexion for the valid reason that the purchaser, if a stranger, cannot guarantee that he will remain in the place or carry on the connexion, or diligently work in the practice. It is quite certain that no person, taking a practice under such circumstances, would bind himself to stop or to pay if the future income were not enough for his own support. If the successor pay nothing, he can lose nothing ; on the other hand the vendor will lose all, if the successor be not moral, sober, industrious, and successful. If the future income in a practice could be absolutely guaranteed

(as some gentlemen seem to expect) the price of a practice would be higher than that of an annuity, inasmuch as the latter ceases with the life of the annuitant, whereas the former has a considerable and saleable value after the decease of the incumbent. The value of an annuity of £500, to a man of thirty, is about seven thousand five hundred pounds ; but a good medical practice—that is to say, a succession to an excellent professional connexion—can be bought for £750, or a tenth part of the amount paid for the annuity. Why is this ? Because the annuity is certain ; the succession is dependent upon the exertions and ability of the purchaser. When this is clearly understood it will be seen that, in accepting so small a premium for his succession, the vendor, to some extent, discounts the value by the amount of the risk to the successor. The successor could not buy at the price if there were no risks, but these are reduced to a minimum if he be a steady, prudent, industrious gentleman, of average professional ability and good address. Such men rarely fail in succession to medical practices.

There are many cases, nevertheless, in which an arrangement may be made with a suitable gentleman to succeed to a practice upon payment of a third or so of the premium in cash and the remainder by annual instalments, or by a proportion of the receipts for a limited number of years. In such cases vendors must exercise great caution as to whom they sell, and purchasers should consider whether they will not pay more dearly than by the usual method. Postponed payments are expected to bear interest moreover, and this forms an additional tax upon the returns of the practice.

The purchaser should endeavour to determine in the outset exactly for what he is best suited, and the locality in which he desires to settle. He should at least decide

whether a practice in town or country is best adapted to his requirements ; in the latter there is less competition, in the former there is less health. If a rapid accumulation of money be the special object, a practice with an open surgery and retail in a densely populated part of the metropolis, or some of the largest of our manufacturing towns will certainly afford the best field, but “the shop” requires special knowledge and some previous experience in such an establishment, or behind a druggist’s counter. To take such a business, and entrust the *whole* management of the retail to an assistant, is disastrous. For the rest there need be little anxiety as to the transfer, for in such establishments the most frequent changes of proprietorship seem to affect in the smallest degree the business and professional connexion. And it is a fact, that some of the largest practices in London have been founded upon “an open surgery and retail.” *Mais, chacun a son gout !*

“Assistantships with view to partnerships” form another favourite idea amongst the younger branches of the profession. The mythical, benevolent old gentleman is again brought into requisition, and is supposed to be looking out for a very deserving young man—poor, but clever. There are exceptions to every rule, it is said, but there are few to the rule that men will not give away for nothing that which they can readily sell. The idea is a dream. For any partnership worth having, a premium is always required ; and, in the case of “assistantships with a view to partnership,” the option of the partnership is reserved by the principal who not unfrequently at the end of a year finds out that the assistant is not fitted to be his partner. In one case within my knowledge, the device of “assistantship with a view to partnership” was systematically used to induce well-qualified gentlemen to accept a very small salary, in the hope that the engagement might

lead to a share in the practice, but the share in the practice was never obtained.

Not an uncommon error of investors is the supposition, that the older a practice is, the more sure the transfer. It has been before stated that the long permanence of a practitioner in one particular place is a guarantee that the purchaser will not be fraudulently dealt with; but it must not be overlooked that in such cases a part of the connexion is essentially of a personal nature, which requires much tact to secure to a successor. There is another and more important point to be looked at, however; and that is, that in very old-established practices many of the patients, formerly resident in the locality, have removed to distant places, yet still send for their old medical attendants; such patients cannot be transferred. This particularly applies to old-established practices in London and the largest towns.

The conditions required by purchasers from vendors are often absurd, but nothing is more unreasonable than to expect that the incumbent will *guarantee* a certain amount of income to his successor. No vendor can do it. It is often proposed that the appointments shall be "guaranteed" to the purchaser. It cannot be done; because the practice in future depends upon the good address, tact, professional knowledge, sobriety, diligence, and adaptation of the successor. A case came within the knowledge of the writer, which forcibly illustrates this position. Mr. A—— had an unopposed country practice, and had so much personal knowledge of the Guardians that he was quite sure the Poor Law appointment held by him would be transferred. He was imprudent enough to guarantee the appointment to Dr. B——, who purchased his practice. All the details were settled, the agreement signed, and a deposit paid. Mr. A—— committed himself publicly by

introducing Dr. B—— to his patients as his successor before the election to the Union came on, but as the time approached became more and more anxious, because he observed symptoms of intemperance in his associate. He was the more desirous to terminate his introduction, lest he should be disgraced amongst his former friends and patients. At last the day came ; there was every disposition on the part of the Guardians to act in a friendly manner ; but when Dr. B—— entered the room in a state of drunken abusiveness, some regret at the circumstance having been expressed by the chairman, he was knocked down by the candidate ! Of course he did not get the appointment which had been "guaranteed" to him ; of course Mr. A—— could not make him pay the premium, nor could he compel him to leave the place, from which he himself was compelled with shame and loss to retire, leaving Dr. B—— temporarily master of the situation. In less extreme cases the appointments are almost invariably transferred to the successor of the gentleman who has previously held the appointments, and it may be laid down as a general rule that the appointments are always transferred, unless the successor conducts himself in an improper or imprudent manner during the term during which he is acting as substitute to the vendor of the practice.

The purchasers who make the worst bargains are divisible into two classes—1. Those who inquire for something extra good, and upon terms and conditions which are unjust and unfair to the vendor. These gentlemen find their opportunity in some professional brother's misfortune, and by taking advantage of it, get, upon apparently very easy terms, a valuable connexion. "Verily they have their reward." A generous bargain made with an invalid or a widow "wins golden opinions from all sorts of

people ;” but the reverse invariably sows the seeds of dislike and distrust amongst the patients, who are to be “transferred.” The truth creeps out, and the reputation of the clever bargain defeats the objects of the individual, who is thus “hoist by his own petard.” 2. The second class, who are specially liable to make unsatisfactory arrangements, are those who begin their negotiations with the agent by saying, “Now, I am not in any hurry ; I should prefer to wait until you have something specially good to offer me.” These gentlemen do not regard the purchase of a practice with sufficient earnestness as an important step in life ; they do not go about it with resolute determination, to consider their own fitness for any particular sphere, and end by pitching their tent in some picturesque locality, where they may get hunting, shooting, fishing, good society, orthodox doctrine, pure air, pleasant scenery, a gravel soil, easy access to town, but no practice of a transferable character. This class of men constantly fulfil the old proverb, by “going through the wood and through the wood to get a crooked stick at last.” The purchase of a practice should be regarded as a duty to oneself and others, as an investment of “the talents” which have been entrusted to us ; it should be undertaken as an important step in life ; the negotiation should be regarded as a matter of business like the purchase of an estate or a house, and the purchaser should abnegate his self-esteem in considering above all things his own fitness or unfitness for the particular sphere of action. Indecision and want of energy in such a matter are not only culpable, but dangerous.

Thus far upon the mistakes of investors or gentlemen seeking spheres for practice. I shall now have occasion to write with equal candour of the errors committed by those who desire to transfer their professional connexions. Foremost is the liability of each incumbent to over-esti-

mate the value of his own connexion. "A man's own goose is as good as anybody else's swan." It is an excusable error, but it often lays the vendor open to imputations which he does not deserve. For sometimes the very excellence of the practice to its present holder may be a positive disadvantage to his successor. An intending investor becomes suspicious if he discover even in trifling matters that the practice is not as good as it was described to be. Hence the vendor will serve his own interest by understating the facts. But all the facts of importance or affecting the value or character of the practices should be stated. For example—1. The age of the practice, how long held by the vendor, the average income actually received during the three previous years, and in the last year. 2. The population of the place, and the class of persons forming the majority of the patients. 3. The usual midwifery fees charged, and how many cases occur in a year. 4. The length of journeys ; whether a horse or carriage is required to do the work. 5. The number and age of the other medical practitioners resident and competing. 6. What appointments are held by the vendor or by others in the place and their value ; also what appointments may probably be considered transferable to purchaser. 7. The size and rent of the house (describing the number and size of sitting-rooms, bed-rooms, &c.) ; the stabling, garden, or land , whether the tenancy be annual or under a lease, &c. 8. The supposed value of the drugs, surgery fixtures, and fixtures in the house. 9. The reasons for retirement from the practice. 10. The premium which will be required by the vendor. As all these things have to be explained to each intending purchaser it saves much time and trouble to give the full details at first to the agent. It not unfrequently occurs that a purchaser will travel many miles to look at a practice, of which he thinks favourably, but finds on his arrival that the house or

some other minor appurtenance will not suit him ; he is at once irritated that he was not informed on the objectionable points, and hastily refuses to think any more of the matter, whereas if he had seen the difficulty at the outset he would have made up his mind to surmount it.

A professional man who has been settled in a locality for many years, and who feels that he is respected by his neighbours, is naturally somewhat ill at ease when some inexperienced junior with a few hundreds of pounds at command comes to make detailed enquiries as to his practice, and puts the questions with manifest suspicion. No well-bred gentleman accustomed to business would be likely to cause such discomfort, but highly qualified medical graduates often do so because they are unaccustomed to commercial transactions, in which such enquiries are made hourly without offence between buyers and sellers. Dignified patience and transparent candour rebukes this demeanour more successfully than any direct expression of dislike or condemnation. To grow angry is a mistake.

Scarcely a week elapses in which I do not receive a letter in which a client writes to say that "he thinks the practice numbered —— will suit him, and that if he decides to purchase it, his own will be for sale." An unprincipled agent will take advantage of such imprudence, and commit the applicant to the purchase of the new connexion before the arrangement for the sale of the old one can be completed. Then the victim will begin to see his disastrous position. He must sell, and at no matter what sacrifice ; perhaps he finds himself with two houses on his hands, and finally gives away what was worth £500 or £600, because he is obliged to take his introduction in his new practice, and cannot attend to the old one even to give an introduction. Or perhaps he may be fortunate enough to sell without such a complete loss ; but how can he give and

take an introduction at the same time? Unless he be ubiquitous he either will sacrifice an efficient introduction to what he has bought, or he will probably be plunged into a law suit for non-fulfilment of contract to the purchaser of his own. All this is obvious when it is explained, or even carefully considered; yet there are intelligent men who actually propose to exchange practices as clergymen exchange livings. If an efficient introduction be necessary to either, the thing is utterly impracticable.

These "words of advice" to transferors and transferees would be incomplete without some remarks upon medical book-keeping, and the bearing which incomplete accounts have and ought to have upon the values of medical practice. No practice will sell readily unless the evidence of *bona fides* be complete, nor is there anything more convincing to an investor than books fairly kept. I have heard it remarked that "books may be too well kept," but I demur to the objection, unless it means that both day-book and ledger and cash-book have been written up for the purpose of making the practice appear what it is not. Such a deception could be detected with facility by any gentleman having any powers of observation. But gentlemen having practices for disposal will find that books in arrear are an obstacle to a sale, and will do well before they court investigation to post into their cash-book the various sums they have received for two or three previous years. If there be not time for the principal himself to do this there are always ready young men who give their time especially to the orderly arrangements of surgeon's accounts and their books.

In conclusion, investors are recommended not to expect to find a perfect thing adapted to all their wants, and those who desire to dispose of their practices are advised not to expect that a sale can or ought to be made without the amplest opportunities of investigation by the purchaser.

ESTABLISHED 1848.

MEDICAL TRANSFER & PROFESSIONAL AGENCY,
 50, LINCOLN'S-INN-FIELDS, W.C.

Mr. J. BAXTER Langley,
 M.R.C.S., F.L.S., &c., (KING'S COLL.,)

HAS now upon his books a large number of desirable investments and available openings for Medical Men commencing their professional career. Gentlemen wishing to relinquish practice can be introduced without delay to competent successors with means at their disposal.

Mr. Langley devotes his prompt personal attention to the negotiations entrusted to him, and treats confidentially and with care all matters relating to professional business. The strictest reserve will be practised in all the preliminary arrangements, and no expense incurred (except in special cases) unless a negotiation be completed.

The General Partnership and Commercial Agency Business till recently conducted by him at his City offices, and his experience in the management of large commercial undertakings, combined with his professional acquirements, enable Mr. Langley to guarantee that all matters of business placed in his hands will be carried out without delay and with an equitable regard to the interests of all parties concerned.

As an Arbitrator on all matters of dispute between professional men, Mr. Langley has had great experience, and can refer to numerous cases in which he has been the means of preventing expensive and tedious litigation.

Mr. Langley can refer to the Professors of his College, Members of Parliament, Clergy, Merchants, Bankers, and others, as a guarantee of his integrity and honour in all negotiations entrusted to him.

Office hours, from 11 till 4 ; Saturdays, from 11 till 2.

T E R M S.

Mr. LANGLEY's terms are based upon the general principle that no expense shall be incurred by any one unless professional service be actually rendered.

To PURCHASERS.

1. No charge is made to any gentleman making enquiries in relation to any practices or partnerships on Mr. Langley's register; nor is any charge made to the purchasers of such practices. When a negotiation is completed the purchaser is advised to have a duplicate of the agreement on stamp (at the cost of a few shillings), but the taking of this is optional.

2. When a proposed buyer requires Mr. Langley's professional services in the systematic investigation of books and the preparation of a report, a charge is made at a rate not exceeding two guineas a day and travelling expenses.

3. Mr. Langley is in no case answerable for the statements made by vendors, nor can he vouch for the accuracy of their books unless specially examined by himself. In most cases, however, from a very wide personal acquaintance with professional men throughout the country, he is able to supplement the general description of a practice given by the vendor, with reliable information as to the character, habits, and social position of the incumbent of the practice.

4. When Mr. Langley is employed by a purchaser to act for him in the negotiation for the purchase of a practice *not upon his books*, or not introduced by him, he makes a charge of $1\frac{1}{4}$ per cent. on the amount invested or named as the purchase money.

5. A register is kept of the names and addresses of purchasers, with whom Mr. Langley places himself in frequent communication as to the practices offered for transfer. These entries are made without charge. Gentlemen desiring to find openings for practice or suitable investments, should forward a description of the kind of practice required in town or country, and *the amount of money at command for investment*. Without this last, it can hardly be expected that vendors will give confidential information about their receipts, &c., for they naturally rely that the agent will not

introduce a client of whose means or resources he is not informed. If the agent is not worthy to be trusted with such information, he is not fit to be employed.

To SELLERS.

1. The commission is only charged in cases where a sale is effected to some client introduced through Mr. Langley's agency, not otherwise.

2. When, however, the sale of a practice, after having been placed by the vendor in Mr. Langley's hands, is effected through a private friend, or made to a gentleman not introduced by him, or when the practice is withdrawn from the books of the agency, the vendor is expected to pay for services rendered, and such reasonable expenses as may have been incurred by him in his efforts to secure a purchaser; but these expenses and charges will not in any case (except by the special order of the vendor), exceed five guineas in all.

3. Mr. Langley undertakes (unless prohibited) to advertise in a cautious but efficient manner every practice or partnership valued at £200 or upwards, which may be placed in his hands for sale. This is done without expense to the vendor, and at Mr. Langley's own expense and risk, affording greater facilities for prompt transfer than are found in any other agency.

4. The commission charged covers all expenses of postage, consultations, use of offices, advertising (unless specially ordered by the vendor), registration, and all other charges, except for legal documents, stamps thereon, and travelling expenses.

5. When no premium, immediate or deferred, is paid for entrance upon a partnership or practice to which a successor has been introduced, a fee, not exceeding five guineas, is due to the office, the amount of charge depending upon a reasonable estimate of the money value of the connection.

6. When the premium or purchase money is £200 or upwards, the following commission is charged, viz.—£5 per cent. on all monies paid or agreed to be paid by the purchaser to the vendor, up to £500, $2\frac{1}{2}$ per cent. from £500 to £1,000, and $1\frac{1}{4}$ per cent. beyond £1,000. When the purchase money is under £200, the

amounts expended in advertising, and a correspondence fee of one guinea, are charged in addition to the commission of five per cent.

7. The full commission is due on the signing of the agreement or deed of partnership, and is chargeable upon all monies paid or agreed to be paid by the purchaser to the vendor, under the terms of the contract entered into.

8. Where deferred payments are made dependent on receipts by the successor, the value of these are estimated as equal to two-thirds of the amount of the receipts stated previously to have been the receipts of the vendor, and the commission is assessed thereon. In cases of death vacancies, the commission on deferred payments is based on the assumption that the successor will retain at least one half of the revenue of the deceased.

ARBITRATION.

1. By the 17th and 18th Victoria, cap 125, a decision upon a submission to arbitration, or upon an agreement between two parties in difference to refer the matters in dispute to arbitration, can be made of equal force and authority as a decision in the superior courts. Hence, arbitration upon special matters has become a recognised profession, and disputes are constantly under legal advice taken out of the courts, and referred to trustworthy arbitrators, who are believed to be acquainted with the matters in question.

2. Mr. Langley has had considerable experience in this department, and can give references to numerous cases in which his decisions have settled questions involving large sums of money.

3. To secure an equitable decision, the parties in difference should sign a document setting forth the matters in dispute, declaring that they agree mutually to accept the arbitration sought.

4. The charges in the Arbitration department vary in proportion to the correspondence and consideration required from £2 2s. to £10 10s. In special cases, where books of account have to be investigated or evidence examined, or repeated consultations held, further charges are necessary; but as a general rule the total fees do not exceed £5 5s.

5. Ordinary consultations on business, half-a-guinea.